DATED 11 JANUARY 2014

HK ELECTRIC INVESTMENTS MANAGER LIMITED

HK ELECTRIC INVESTMENTS LIMITED

OMAN INVESTMENT FUND

GOLDMAN SACHS (ASIA) L.L.C.

THE HONGKONG AND SHANGHAI BANKING CORPORATION LIMITED

CORNERSTONE INVESTMENT AGREEMENT

CONTENTS

PAGE

1. DEFINITIONS AND INTERPRETATIONS 2
2. INVESTMENT 5
3. AGREEMENT CONDITIONAL UPON COMPLETION OF GLOBAL OFFERING 6
4. CLOSING 6
5. RESTRICTIONS ON THE INVESTOR 7
6. ACKNOWLEDGEMENTS AND WARRANTIES 8
7. TERMINATION 13
8. ANNOUNCEMENTS AND CONFIDENTIALITY 13
9. NOTICES 14
10. GENERAL 15
11. COUNTERPARTS 16
12. GOVERNING LAW AND JURISDICTION 16
13. IMMUNITY 16

SCHEDULE 1 PARTICULARS OF INVESTOR 18

SCHEDULE 2 PROFESSIONAL INVESTOR TREATMENT NOTICE 19

THIS AGREEMENT is made on 11 January 2014

BETWEEN:

(1) **HK ELECTRIC INVESTMENTS MANAGER LIMITED**, a company incorporated in Hong Kong whose registered office is at 44 Kennedy Road, Hong Kong (the ***Trustee-Manager***);

(2) **HK ELECTRIC INVESTMENTS LIMITED,** a company incorporated under the laws of the Cayman Islands whose registered office is at Cricket Square, Hutchins Drive, P.O. Box 2681, Grand Cayman KY1-1111, Cayman Islands (the ***Company***);

(3) **OMAN INVESTMENT FUND**, a Sovereign Wealth Fund established under the laws of the Sultanate of Oman by Royal Decree 14/2006, whose registered office is at 1st Floor Al Noor Plaza, Madinat Al Sultan Qaboos, and has a registered P.O. Box 329. P.C. 115, Sultanate of Oman (the ***Investor***);

(4) **GOLDMAN SACHS (ASIA) L.L.C.**, whose place of business in Hong Kong is at 68th Floor, Cheung Kong Center, 2 Queen's Road Central, Hong Kong (***Goldman Sachs***); and

(5) **THE HONGKONG AND SHANGHAI BANKING CORPORATION LIMITED**, whose place of business in Hong Kong is at 1 Queen's Road Central, Hong Kong (***HSBC***).

WHEREAS:

(A) The Trustee-Manager is a company incorporated under the laws of Hong Kong with limited liability on 25 September 2013 and is the trustee-manager of HK Electric Investments.

(B) The Company is an exempted company incorporated under the laws of the Cayman Islands with limited liability on 23 September 2013. The Company was registered as a non-Hong Kong company under Part XI of the Companies Ordinance on 9 December 2013.

(C) The Trustee-Manager and the Company propose to obtain a listing of the Share Stapled Units on the Stock Exchange by way of a global offering (the ***Global Offering***) comprising (i) an offer for subscription of the Share Stapled Units by the public in Hong Kong (the ***Hong Kong Public Offering***), (ii) a conditional placing of Share Stapled Units outside the United States (including placing to professional and institutional investors in Hong Kong) and in the United States solely to qualified institutional buyers (the ***QIBs***) as defined in Rule 144A under the U.S. Securities Act pursuant to an exemption from registration under the U.S. Securities Act (the ***International Offering***) and (iii) a preferential offering of Share Stapled Units to qualifying shareholders of Power Assets Holdings Limited (the ***Preferential Offering***).

(D) Goldman Sachs and HSBC Corporate Finance (Hong Kong) Limited are acting as the joint sponsors and Goldman Sachs and HSBC are acting as joint global coordinators of the Global Offering.

(E) The Investor wishes to make an investment in the Share Stapled Units, subject to and on the basis and terms set out in this Agreement.

IT IS AGREED as follows:

1. DEFINITIONS AND INTERPRETATIONS

1.1 In this Agreement, the following expressions shall have the following meanings:

Banks means Goldman Sachs and HSBC;

Brokerage means brokerage calculated as 1% of the aggregate Offer Price in respect of the Investor Share Stapled Units;

business day means any day (other than a Saturday, Sunday or public holiday) on which banks in Hong Kong are generally open for normal banking business and on which the Stock Exchange is open for business of dealing in securities;

CCASS means the Hong Kong Central Clearing and Settlement System;

Companies Ordinance means the Companies Ordinance (Chapter 32 of the Laws of Hong Kong);

Delivery Date means, subject to the Underwriting Agreements being entered into and having become unconditional, such date (which shall be a date on or after the Listing Date but no later than three business days following the 30th day after the closing of the application lists for the Hong Kong Public Offering) and time as may be notified by the Banks to the Investor by not less than two business days' notice in writing, on which date the Investor Share Stapled Units shall be delivered to the Investor;

dispose of includes, in respect of any Share Stapled Units, offering, pledging, charging, selling, mortgaging, lending, creating, transferring or otherwise disposing of any legal or beneficial interest (including by the creation of or an agreement to create or selling or granting or agreeing to sell or grant any option or contract to purchase or any warrant or right to purchase) in the Share Stapled Units or any securities convertible into or exercisable or exchangeable for such Share Stapled Units, or contracting to do so, whether directly or indirectly, or entering into any swap or other arrangement that transfers to another, in whole or in part, any of the economic consequences or incidents of ownership of such Share Stapled Units or securities, whether any of the foregoing transactions is to be settled by delivery of Share Stapled Units or such other securities convertible into Share Stapled Units, cash or otherwise and ***disposal*** shall be construed accordingly;

Encumbrance means any mortgage, charge, pledge, lien or other security interest or any option, restriction, right of first refusal, right of pre-emption or other third party claim, right, interest or preference or any other encumbrance of any kind;

Global Offering has the meaning given to it in **Recital (C)**;

HK$ or ***Hong Kong dollar*** means the lawful currency of Hong Kong;

HK Electric Investments means HK Electric Investments, a trust constituted under the laws of Hong Kong pursuant to the Trust Deed;

Hong Kong means Hong Kong Special Administrative Region of the PRC;

Hong Kong Public Offering has the meaning given to it in **Recital (C)**;

International Offering has the meaning given to it in **Recital (C)**;

International Offering Circular means the final offering circular expected to be jointly issued by the Trustee-Manager and the Company to the prospective investors (including the Investor) in connection with the International Offering;

International Offer Share Stapled Units means the Share Stapled Units to be jointly offered by HK Electric Investments and the Company pursuant to the International Offering;

International Underwriters means the underwriters of the International Offering;

Investor Share Stapled Units means the number of Share Stapled Units purchased by the Investor pursuant to this Agreement, which shall be equal to HK$ 387,500,000 divided by the Offer Price, rounded down to the nearest whole board lot of 500 Share Stapled Units;

Laws means all laws, statutes, ordinances, rules, regulations, guidelines, opinions, notices, circulars, orders, judgments, decrees or rulings of any court, government, governmental or regulatory authority (including, without limitation, the Stock Exchange and the SFC) of all relevant jurisdictions;

Levies means SFC transaction levy of 0.003% and Stock Exchange trading fee of 0.005%, in each case, of the aggregate Offer Price in respect of the Investor Share Stapled Units;

Listing Date means the date on which the Share Stapled Units are first listed on the Stock Exchange;

Listing Rules means the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited;

Lock-up Period has the meaning given to it in **Clause 5.1**;

Losses means any losses, costs, expenses, claims, actions, liabilities, proceedings or damages;

Non-disclosure Agreement means the non-disclosure agreement dated 9 December 2013 between The Hongkong Electric Company, Limited, the Company, the Trustee-Manager and the Investor;

Offer Price means the final Hong Kong dollar price per Offer Share Stapled Unit (exclusive of Brokerage and Levies) at which the Offer Share Stapled Units are to be offered and sold pursuant to the Global Offering;

Offer Share Stapled Units means the Share Stapled Units to be offered and sold pursuant to the Global Offering;

Ordinary Shares means ordinary shares with a nominal value of HK$0.0005 each in the share capital of the Company conferring the rights set out in the articles of association of the Company;

parties means the parties to this Agreement and ***party*** means any of them;

PRC means the People's Republic of China which, for the purposes of this Agreement, excludes Hong Kong, the Macau Special Administrative Region of the PRC and Taiwan;

Preference Share(s) means preference share(s) with a nominal value of HK$0.0005 each in the share capital of the Company conferring the rights set out in the articles of association of the Company;

Preferential Offering has the meaning given to it in **Recital (C)**;

Preliminary Offering Circular means the preliminary offering circular expected to be jointly issued by the Trustee-Manager and the Company to the prospective investors (including the Investor) in connection with the International Offering;

Professional Investor Treatment Notice has the meaning given to it in **Clause 6.2(f)**;

Prospectus means the prospectus expected to be jointly issued in Hong Kong by the Trustee-Manager and the Company in connection with the Hong Kong Public Offering;

Public Documents means the Preliminary Offering Circular and the International Offering Circular for the International Offering and the Prospectus and application forms expected to be jointly issued in Hong Kong by the Trustee-Manager and the Company for the Hong Kong Public Offering and the Preferential Offering and such other documents and announcements as may be issued by the Trustee-Manager and the Company in connection with the Global Offering;

QIBs has the meaning given to it in **Recital (C)**;

Relevant Share Stapled Units means the Investor Share Stapled Units purchased by the Investor pursuant to this Agreement, and any interests in HK Electric Investments, any Share Stapled Units or any other securities of the Company which are derived therefrom pursuant to any rights issue, capitalisation issue or other form of capital reorganisation;

SFC means the Securities and Futures Commission of Hong Kong;

SFO means the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong);

Share Stapled Unit(s) means the combination of the following securities or interests in securities which, subject to the provisions in the Trust Deed, can only be dealt with together and may not be dealt with individually or one without the others:

(a) a Unit in HK Electric Investments;

(b) the beneficial interest in a specifically identified Ordinary Share linked to the Unit and held by the Trustee-Manager as legal owner in its capacity as trustee-manager of HK Electric Investments; and

(c) a specifically identified Preference Share stapled to the Unit;

Stock Exchange means The Stock Exchange of Hong Kong Limited;

Trust Deed means the trust deed dated 1 January 2014 constituting HK Electric Investments, entered into between the Trustee-Manager and the Company;

Underwriting Agreements means the underwriting agreement to be entered into in connection with the Hong Kong Public Offering and the underwriting agreement to be entered into in connection with the International Offering;

Unit means an undivided interest in HK Electric Investments, which confers the rights set out in the Trust Deed as being conferred by a Unit (whether in its own right or as a component of a Share Stapled Unit);

U.S. and ***United States*** means the United States of America, its territories and possessions, any State of United States, and the District of Columbia; and

U.S. Securities Act means the United States Securities Act of 1933, as amended.

1.2 In this Agreement:

(a) Unless otherwise stated, references to the Trustee-Manager in this Agreement are to the Trustee-Manager acting in its capacity as the trustee-manager of HK Electric Investments;

(b) references to ***Clauses*** and ***Schedules*** are to clauses of and schedules to this Agreement;

(c) headings are for convenience only and shall not affect the construction of this Agreement;

(d) the Schedules form an integral part of this Agreement and any reference to this Agreement shall include the Schedules;

(e) the term ***associate*** has the meaning given to it in Rule 1.01 of the Listing Rules and the term ***associates*** shall be construed accordingly;

(f) the term ***affiliate*** has the meaning given to it under Rule 405 of the U.S. Securities Act and the term ***affiliates*** shall be construed accordingly;

(g) the term ***connected person*** has the meaning given to it in Rule 14A.11 of the Listing Rules and the term ***connected persons*** shall be construed accordingly; and

(h) the term ***subsidiary*** has the meaning given to it in section 2 of the Companies Ordinance and the term ***subsidiaries*** shall be construed accordingly.

2. INVESTMENT

2.1 Subject to the conditions referred to in **Clause 3** below being fulfilled (or waived jointly by the Trustee-Manager, the Company and the Banks):

(a) the Investor will subscribe for, and each of the Trustee-Manager and the Company will cause to be issued and delivered to the Investor, the Investor Share Stapled Units at the Offer Price under and as part of the International Offering; and

(b) the Investor will pay the Brokerage and the Levies in respect of the Investor Share Stapled Units.

2.2 The Investor Share Stapled Units shall be paid for in Hong Kong dollars and subject to due payment for the Investor Share Stapled Units being made in accordance with this Agreement, the Investor Share Stapled Units will, when issued and delivered, be fully paid and free from all Encumbrances and shall rank *pari passu* with the Share Stapled Units then in issue and to be listed on the Stock Exchange.

3. AGREEMENT CONDITIONAL UPON COMPLETION OF GLOBAL OFFERING

3.1 The Investor's obligation to subscribe for, and the obligations of the Trustee-Manager and the Company to issue and deliver, and/or procure the issuance and delivery of, the Investor Share Stapled Units pursuant to **Clause 2.1** are conditional only upon:

(a) the Underwriting Agreements being entered into and having become unconditional (in accordance with their respective original terms or as subsequently waived or varied by agreement of the parties thereto) by no later than the time and date as specified in the Underwriting Agreements or as subsequently waived or varied by agreement of the parties thereto;

(b) neither of the Underwriting Agreements having been terminated; and

(c) the Listing Committee of the Stock Exchange having granted the listing of, and permission to deal in, the Share Stapled Units in issue and to be issued and such approval or permission not having been revoked prior to the commencement of dealings in the Share Stapled Units on the Stock Exchange.

3.2 If any of the conditions contained in **Clause 3.1** have not been fulfilled or if such conditions have not been waived in writing jointly by the Trustee-Manager, the Company and the Banks on or before 29 January 2014 (or such other date as may be agreed among the Trustee-Manager, the Company, the Banks and the Investor), the obligation of the Investor to purchase, and the obligations of the Trustee-Manager and the Company to issue and deliver, and/or procure the issuance and delivery of, the Investor Share Stapled Units shall cease and any amount paid by the Investor under this Agreement will be repaid to the Investor without interest and this Agreement will terminate and be of no effect, provided that termination of this Agreement pursuant to this **Clause 3.2** shall be without prejudice to the accrued rights or liabilities of any party to the other parties in respect of the terms herein at or before such termination.

4. CLOSING

4.1 Subject to **Clause 3**, the Investor will subscribe for the Investor Share Stapled Units pursuant to, and as part of, the International Offering and through the Banks (or their affiliates) on behalf of the International Underwriters. Accordingly, the Investor Share Stapled Units will be subscribed for contemporaneously with the closing of the International Offering at such time and in such manner as shall be determined by the Trustee-Manager, the Company and the Banks (or their affiliates).

4.2 The Investor shall make payment for all of the Investor Share Stapled Units, and each Investor Share Stapled Unit shall be subscribed for at the Offer Price, and the related Brokerage and Levies by same day value credit at or before 9:00 a.m. (Hong Kong time) on the Listing Date or Delivery Date in Hong Kong dollars by wire transfer in immediately available clear funds without any deduction or set-off to such Hong Kong dollar bank account as may be notified to the Investor by the Banks in writing no later than one clear business day prior to the Listing Date or Delivery Date, which notice shall include, *inter alia*, the payment account details and the total amount payable by the Investor under this Agreement. For the avoidance of doubt, the aforesaid payment or payment arrangement by the Investor as notified by the Banks for the Investor Share Stapled Units shall not affect or constitute a condition to the payment obligations of the Banks or the International Underwriters for the International Offer Share Stapled Units pursuant to the underwriting agreement to be entered into in connection with the International Offering.

4.3 Subject to due payment(s) for the Investor Share Stapled Units being made in accordance with **Clause 4.2**, delivery of the Investor Share Stapled Units to the Investor shall be made through CCASS by depositing the Investor Share Stapled Units on the Delivery Date directly into CCASS for credit to such CCASS investor participant account or CCASS stock account as may be specified by the Investor by notice in writing to the Banks no later than three business days prior to the Delivery Date.

4.4 Delivery of, and payment for, the Investor Share Stapled Units may also be made in any other manner which the Trustee-Manager, the Company, the Banks and the Investor may agree in writing.

4.5 If payment for the Investor Share Stapled Units and the related Brokerage and Levies (whether in whole or in part) is not received or settled in the time and manner stipulated in this Agreement, the Trustee-Manager, the Company and the Banks reserve the right, in their absolute discretion, to jointly terminate this Agreement and in such event, all obligations and liabilities on the part of the Trustee-Manager, the Company and the Banks shall cease and terminate (but without prejudice to any claim which the Trustee-Manager, the Company and the Banks may have against the Investor arising out of its failure to comply with its obligations under this Agreement). The Investor shall in any event be fully responsible for and indemnify, and hold harmless and keep fully indemnified, on an after-tax basis, the Trustee-Manager, the Company and the Banks against any Losses that they and each of their respective officers, directors, employees, staff, affiliates, agents, representatives and advisers may suffer or incur arising out of or in connection with the investment contemplated under this Agreement and any failure on the part of the Investor to pay for the Investor Share Stapled Units and the related Brokerage and Levies in full or to comply with any of the terms of this Agreement.

5. RESTRICTIONS ON THE INVESTOR

5.1 Subject to **Clause 5.3**, the Investor agrees that without the prior written consent of the Trustee-Manager, the Company and the Banks, it will not, whether directly or indirectly, at any time during the period of six months following the Listing Date (the ***Lock-up Period***), dispose of any of the Relevant Share Stapled Units or any interest in any company or entity holding any of the Relevant Share Stapled Units, nor shall it agree or contract to (or enter into any transaction with the same economic effect), or publicly announce any intention to enter into a transaction with a third party for the disposal of the Relevant Share Stapled Units.

5.2 The Trustee-Manager, the Company and the Banks acknowledge that, after the expiry of the Lock-up Period, the Investor shall be free to dispose of any Relevant Share Stapled Units, provided that the Investor shall notify the Trustee-Manager, the Company and the Banks by not less than five business days' notice in writing prior to the disposal and will use all reasonable endeavours to ensure that any such disposal does not create a disorderly or false market in the Share Stapled Units and is otherwise in compliance with the SFO or any applicable Laws which the Investor is subject in respect of the transactions contemplated under this Agreement.

5.3 Nothing contained in **Clause 5.1** shall prevent the Investor from transferring all or part of the Relevant Share Stapled Units to any wholly-owned subsidiary, provided that:

(a) prior to such transfer, such wholly-owned subsidiary shall give a written undertaking (in favour of, and in a form and substance satisfactory to, the Trustee-Manager, the Company and the Banks) agreeing to, and the Investor shall give a written undertaking (in favour of, and in a form and substance satisfactory to, the Trustee-Manager, the Company and the Banks) agreeing to procure that such wholly-owned

subsidiary will, be bound by the Investor's obligations under this Agreement, including, without limitation, the restrictions in this **Clause 5** imposed on the Investor, as if such wholly-owned subsidiary were itself subject to such obligations and restrictions; and

(b) if at any time prior to the expiry of the Lock-up Period, such wholly-owned subsidiary intends to or will cease to be a wholly-owned subsidiary of the Investor, it shall, and the Investor shall procure that such subsidiary shall, before ceasing to be a wholly-owned subsidiary of the Investor, transfer the Relevant Share Stapled Units it holds to the Investor or another wholly-owned subsidiary of the Investor, whereby such other wholly-owned subsidiary shall give a written undertaking (in favour of the Trustee-Manager, the Company and the Banks) agreeing to, and the Investor shall give a written undertaking (in favour of, and in a form and substance satisfactory to, the Trustee-Manager, the Company and the Banks) agreeing to procure that such other wholly-owned subsidiary will, be bound by the Investor's obligations under this Agreement, including, without limitation, the restrictions in this **Clause 5** imposed on the Investor, as if such other wholly-owned subsidiary were itself subject to such obligations and restrictions.

5.4 The Investor agrees and undertakes that, save with the prior written consent of the Trustee-Manager, the Company and the Banks, the aggregate holding (direct and indirect) of the Investor and its respective associates of Share Stapled Units shall be less than 10% of the total issued Share Stapled Units from time to time. The Investor agrees to provide, promptly upon request, evidence reasonably satisfactory to the Trustee-Manager, the Company and the Banks showing that the holding of the Share Stapled Units is for proprietary investment.

5.5 The Investor shall not, and shall procure that none of its respective associates shall, apply for or place an order through the book building process for Share Stapled Units in the Global Offering (other than the Investor Share Stapled Units).

6. ACKNOWLEDGEMENTS AND WARRANTIES

6.1 The Investor represents, warrants, undertakes, acknowledges, agrees and confirms to the Trustee-Manager, the Company and the Banks that:

(a) the Trustee-Manager, the Company and the Banks and their respective affiliates make no representation and give no warranty or undertaking that the Global Offering will proceed or be completed (within any particular time period or at all) and will be under no liability whatsoever to the Investor or any of its respective affiliates in the event the Global Offering does not proceed or is not completed for any reason;

(b) this Agreement, the background information of the Investor and the relationship and arrangements between the parties contemplated by this Agreement will be disclosed in the Public Documents and other roadshow and marketing materials for the Global Offering and, specifically, this Agreement will be a material contract required to be filed with regulatory authorities and made available for public inspection in connection with the Global Offering or otherwise pursuant to the Companies Ordinance and the Listing Rules;

(c) the Offer Price is to be determined by agreement between the Trustee-Manager, the Company and the Banks (on behalf of the underwriters of the Global Offering) following, and on the basis of, an international "roadshow" and "bookbuilding" process, and the Investor shall not have any right to raise any objection thereto;

(d) the Investor Share Stapled Units will be purchased by the Investor through the Banks in their capacities as International Underwriters;

(e) the Investor will accept the Investor Share Stapled Units on and subject to the terms and conditions of the Trust Deed and the memorandum and articles of association of the Company;

(f) at or around the time of entering into this Agreement or at any time hereafter but before the closing of the International Offering, the Trustee-Manager, the Company and the Banks have entered into, will enter into, or may enter into, agreements similar to this Agreement with one or more other investors as part of the International Offering;

(g) the Investor Share Stapled Units have not been, and will not be, registered under the U.S. Securities Act or in the United States and may not be offered, resold, pledged or otherwise transferred in the United States except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the U.S. Securities Act;

(h) it is (i) a qualified institutional buyer as defined in Rule 144A under the U.S. Securities Act or (ii) not within the United States;

(i) if the Investor is purchasing the Investor Share Stapled Units in reliance on Rule 144A under the U.S. Securities Act, the Investor Share Stapled Units will constitute "restricted securities" within the meaning of Rule 144 under the U.S. Securities Act, and any share certificate(s) representing the Investor Share Stapled Units sold within the United States shall bear a legend substantially to such effect;

(j) transfers of the Investor Share Stapled Units may only be made (1) in the United States in accordance with Rule 144A under the U.S. Securities Act or (2) outside the United States in an "offshore transaction" (as defined in Regulation S under the U.S. Securities Act) in accordance with Regulation S under the U.S. Securities Act, and such Investor Share Stapled Units, so long as they constitute "restricted securities" as defined in Rule 144 under the U.S. Securities Act, if held of record in certificated form by investors in the United States, shall bear a legend substantially to such effect;

(k) the Investor understands that none of the Trustee-Manager, the Company, the Banks or any of the International Underwriters has made any representation as to the availability of Rule 144A or any other exemption under the U.S. Securities Act for any subsequent reoffer, resale, pledge or transfer of the Investor Share Stapled Units;

(l) to the extent any of the Investor Share Stapled Units are held by a wholly-owned subsidiary of the Investor, the Investor shall procure that such subsidiary remains a wholly-owned subsidiary of the Investor and continue to adhere to and abide by the terms and conditions of this Agreement for so long as such subsidiary continues to hold any of the Investor Share Stapled Units before the expiry of the Lock-up Period;

(m) the Investor has received (and may in the future receive) information that may constitute material, non-public information and/or inside information (as defined in the SFO) in connection with its investment in (and holding of) the Investor Share Stapled Units, and it will not, and will use its best endeavours to ensure that its respective affiliates, associates, directors, officers, employees, advisers and representatives do not purchase, sell or otherwise trade or deal, directly or indirectly, in any interest in HK Electric Investments, the Share Stapled Units or other securities of the Company or any of the affiliates or associates of the Company in a manner that

could result in any violation of the Laws of the United States, Hong Kong or any other applicable jurisdiction relevant to such dealing;

(n) the information contained in this Agreement and/or the draft Preliminary Offering Circular and/or the draft Prospectus (including any parts or extracts thereof) and/or other materials prepared based on the draft Preliminary Offering Circular and/or the draft Prospectus which may have been provided to the Investor and any other information or material which may have been provided to the Investor is subject to change and should not be relied upon by the Investor in determining whether to invest in the Investor Share Stapled Units. For the avoidance of doubt:

(i) none of the draft Preliminary Offering Circular, the draft Prospectus (including any parts or extracts thereof) nor any other materials which may have been provided to the Investor constitutes an offer to sell or the solicitation of an offer to buy any Share Stapled Units or securities in any jurisdictions where such offer, solicitation or sale is not permitted;

(ii) nothing contained in the draft Preliminary Offering Circular or the draft Prospectus (including any parts or extracts thereof) or any other materials which may have been provided to the Investor shall form the basis of any contract or commitment whatsoever; and

(iii) no offers of, or invitations to subscribe for, any Share Stapled Units or other securities shall be made or received on the basis of the draft Preliminary Offering Circular or the draft Prospectus (including any parts or extracts thereof) or any other materials which may have been provided to the Investor;

(o) this Agreement does not, in any way, constitute an offer of securities for sale in the United States or any other jurisdictions;

(p) in making its investment decision, the Investor has relied and will rely only on information provided in the International Offering Circular jointly issued by the Trustee-Manager and the Company;

(q) the Investor has not and will not rely on any other information which may have been furnished to the Investor by or on behalf of the Trustee-Manager and/or the Company and/or the Banks on or before the date hereof, and each of the Trustee-Manager, the Company, the Banks and their respective advisers, affiliates and associates makes no representation and gives no warranty or undertaking as to the accuracy or completeness of any information which is not contained in the International Offering Circular and none of the Trustee-Manager, the Company, the Banks and their respective advisers or their affiliates has or will have any liability to the Investor, , or its advisers, affiliates and associates resulting from their use of such information;

(r) the Investor has conducted its own investigation with respect to HK Electric Investments, the Trustee-Manager, the Company and the Investor Share Stapled Units and obtained its own independent advice (legal, tax, accounting and otherwise) to the extent it considers necessary or appropriate and has not relied, and will not be entitled to rely, on any advice (legal, tax, accounting and otherwise) given by any legal counsel or any other advisers to the Trustee-Manager, the Company or to any of the International Underwriters in connection with the Global Offering; and

(s) the Investor will from time to time comply with any requirements, which may be imposed by the Stock Exchange or any regulatory or government authority, or pursuant to any applicable Laws in connection with this Agreement.

6.2 The Investor represents, warrants, undertakes, acknowledges, agrees and confirms to the Trustee-Manager, the Company and the Banks that:

(a) it has been duly incorporated or otherwise established and is validly existing under the Laws of its place of incorporation, and that there has been no petition filed, order made or effective resolution passed for its liquidation or winding-up;

(b) it has full power, authority and capacity, and has taken all actions and has obtained all consents, approvals and authorisations from any governmental or regulatory bodies or other third parties required, to enter into, and perform its obligations under, this Agreement;

(c) it has taken, and will for the term of this Agreement take, all necessary steps to perform its obligations under this Agreement and to give effect to this Agreement and the transactions contemplated in this Agreement and this Agreement, when executed, will constitute legal, valid and binding obligations of the Investor;

(d) neither the execution and delivery of this Agreement by the Investor nor the purchase by the Investor of the Investor Share Stapled Units violates any provision of the memorandum and articles of association (or equivalent constitutional documents) of the Investor then in effect and any contract, instrument or deed to which the Investor is a party, or contravenes or results in a contravention of the Laws of any jurisdiction to which the Investor is subject in respect of the transactions contemplated under this Agreement or which may otherwise be applicable to the Investor in connection with its purchase of the Investor Share Stapled Units;

(e) the Investor has such knowledge and experience in financial and business matters that it is capable of evaluating the merits and risks of the prospective investment in the Investor Share Stapled Units;

(f) its ordinary business is to buy or sell shares, debentures or securities or it is a professional investor (as defined in section 1 of Part 1 of Schedule 1 to the SFO), and it has read and understood the Professional Investor Treatment Notice as set out in **Schedule 2** to this Agreement and agrees to the Professional Investor Treatment Notice. For the purposes of this **Clause 6.2(f)**, "we" in the Professional Investor Treatment Notice shall mean the Trustee-Manager, the Company and the Banks, "you" shall mean the Investor and "our" and "your" shall be construed accordingly;

(g) it is purchasing the Investor Share Stapled Units for its own account and for investment purposes without a view to making a distribution of any of the Investor Share Stapled Units purchased by it under this Agreement;

(h) none of the Investor, its beneficial owners and/or associates is an existing shareholder or unitholder or a connected person (as defined in the Listing Rules) of HK Electric Investments, the Trustee-Manager, the Company or their respective associates and its purchase of the Investor Share Stapled Units shall not constitute a "connected transaction" (as defined in the Listing Rules) of Power Assets Holdings Limited, HK Electric Investments or the Company, or result in the Investor becoming a connected person of Power Assets Holdings Limited, HK Electric Investments, the Trustee-Manager or the Company;

(i) the Investor is not directly or indirectly funded by any connected persons of Power Assets Holdings Limited, HK Electric Investments, the Trustee-Manager or the Company or by the Banks or by any underwriter of the Global Offering, will not receive any direct or indirect benefits from any persons in respect of the investment under this Agreement (other than a guaranteed allocation at the Offer Price), and is not accustomed to take instructions from a connected person of Power Assets Holdings Limited, HK Electric Investments, the Trustee-Manager or the Company in relation to the acquisition, disposal, voting or any other disposition of any interests in HK Electric Investments, any Share Stapled Units or any securities in the Company;

(j) it is not a director or existing shareholder of Power Assets Holdings Limited, the Trustee-Manager or the Company or their respective associates nor a nominee of any of the foregoing;

(k) it shall provide to the Trustee-Manager, the Company and the Banks promptly upon request such information as may be required by the Stock Exchange and other governmental, public, monetary or regulatory authorities or bodies or securities exchange or required by any applicable Laws; and

(l) its acquisition of the Investor Share Stapled Units will comply with the provisions of Appendix 6 (Placing Guidelines for Equity Securities) to the Listing Rules.

6.3 The Investor represents and warrants to the Trustee-Manager, the Company and the Banks that the description set out in **Schedule 1** in relation to it and the group of companies of which it is a member is true and accurate in all respects and is not misleading. Without prejudice to the provisions of **Clause 6.1(b)**, the Investor irrevocably consents to the mention and inclusion of its name and all or part of the description set out in **Schedule 1** in the Public Documents and other roadshow and marketing materials for the Global Offering. The Investor undertakes promptly to provide such further information and/or supporting documentation (to the extent such documentation is readily available) relating to it, its ownership and/or otherwise relating to the matters referred to in **Schedule 1** which may reasonably be required by the Trustee-Manager, the Company and/or the Banks to ensure their respective compliance with applicable Laws and/or the requests of competent regulatory authorities, including without limitation the Stock Exchange and the SFC.

6.4 The Investor understands that the representations and acknowledgements in **Clauses 6.1** to **6.3** are required in connection with the Laws of Hong Kong and the federal securities laws of the United States, amongst others. The Investor acknowledges that the Trustee-Manager, the Company, the Banks and the International Underwriters will rely upon the truth and accuracy of the representations and acknowledgements by the Investor set forth therein, and the Investor agrees to notify the Trustee-Manager, the Company and the Banks promptly in writing if any of the representations or acknowledgements therein ceases to be accurate and complete or becomes misleading.

6.5 Each of the Trustee-Manager and the Company represents and warrants to the Investor and the Banks that:

(a) it has been duly incorporated and is validly existing under the Laws of its place of incorporation;

(b) it has full power, authority and capacity, and has taken all actions and has obtained all consents, approvals and authorisations from any governmental or regulatory bodies or other third parties required, to enter into, and perform its obligations under, this Agreement;

(c) it has taken, and will for the term of this Agreement take, all necessary steps to perform its obligations under this Agreement and to give effect to this Agreement and the transactions contemplated in this Agreement and this Agreement, when executed, will constitute legal, valid and binding obligations of it;

(d) neither the execution and delivery of this Agreement by it nor the performance of its obligations under this Agreement violates any provision of the memorandum and articles of association (or equivalent constitutional documents) of it then in effect and any contract, instrument or deed to which it is a party, or contravenes or results in a contravention of the Laws of any jurisdiction to which it is subject in respect of the transactions contemplated under this Agreement or which may otherwise be applicable to it in connection with this Agreement; and

(e) subject to payment, the Investor Share Stapled Units will, when delivered to the Investor on the Delivery Date, be fully paid and free from all Encumbrances and shall rank *pari passu* with the Share Stapled Units then in issue and to be listed on the Stock Exchange.

6.6 The Trustee-Manager, the Company and the Banks acknowledge that the Investor will be relying on information contained in the International Offering Circular and that the Investor shall have the same rights in respect of the International Offering Circular as other investors purchasing Share Stapled Units in the International Offering.

7. TERMINATION

7.1 This Agreement may be terminated:

(a) in accordance with **Clause 3.2** or **Clause 4.5**;

(b) jointly by the Trustee-Manager, the Company and the Banks in the event that (i) there is a material breach of this Agreement on the part of the Investor or (ii) any of the representations, warranties, undertakings and confirmations of the Investor in **Clause 6** are inaccurate or untrue in any material respect; or

(c) with the written consent of all the parties to this Agreement.

7.2 Any termination of this Agreement shall be without prejudice to the accrued rights or liabilities of any party to the other parties in respect of the terms herein at or before such termination.

7.3 If there is any breach of representations and warranties made by the Investor under **Clause 6** on or before the Delivery Date, the Trustee-Manager, the Company and the Banks shall, notwithstanding any provision to the contrary in this Agreement, jointly have the right to rescind this Agreement and all obligations of the parties shall cease but without prejudice to all rights to claim against the Investor for all Losses suffered by the other parties.

8. ANNOUNCEMENTS AND CONFIDENTIALITY

8.1 Save as provided herein, none of the parties shall disclose any information concerning this Agreement or the transactions contemplated herein or any other arrangement involving HK Electric Investments, the Trustee-Manager, the Company, the Investor without the prior written consent of all the other parties. Notwithstanding the foregoing, this Agreement may be disclosed:

(a) to the Stock Exchange and/or the SFC, and the background of the Investor and the relationships and arrangements between the Trustee-Manager, the Company, the Investor may be described in the Public Documents to be issued by the Trustee-Manager and the Company;

(b) by any party to its legal and financial advisers and employees on a need-to-know basis; and

(c) otherwise by any party if required by any Laws, government or regulatory authority or stock exchange rules (including, in the case of the Trustee-Manager and the Company, submitting this Agreement as a material contract to the Registrar of Companies in Hong Kong for registration and making it available for inspection by the public in accordance with the Companies Ordinance and the Listing Rules).

8.2 The Trustee-Manager, the Company and the Banks shall use their respective reasonable endeavours to provide for review by the Investor of any statement in any of the Public Documents which relates to this Agreement, the relationship between the Trustee-Manager, the Company, the Investor and the general background information on the Investor prior to publication. The Investor shall cooperate with the Trustee-Manager, the Company and the Banks to ensure that all references to it in such Public Documents are true, accurate and not misleading, and shall provide any comments promptly to the Trustee-Manager, the Company and the Banks.

8.3 The Investor hereby agrees that after reviewing the description in relation to it to be included in such drafts of the Public Documents from time to time provided to the Investor and making such amendments as may be reasonably required by the Investor (if any), the Investor represents and warrants that such description is true and accurate and is not misleading. Without prejudice to the provisions of **Clause 8.2**, the Investor irrevocably consents to the reference to, and inclusion of, its name, all or part of the description of this Agreement, the background information of the Investor and its relationship with the Trustee-Manager and the Company in the Public Documents and other roadshow and marketing materials for the Global Offering. The Investor undertakes promptly to provide such further information and/or supporting documentation relating to it, its ownership and/or otherwise relating to the matters referred thereto which may reasonably be required by the Trustee-Manager and/or the Company to (i) update the description of the Investor in the Public Documents and other roadshow and marketing materials for the Global Offering subsequent to the date of this Agreement and (ii) enable the Trustee-Manager and/or the Company to comply with applicable companies or securities registration and/or the requests of competent regulatory authorities, including, without limitation, the Stock Exchange and the SFC.

9. NOTICES

9.1 All notices delivered under this Agreement shall be in writing in the English language and shall be delivered in the manner required by **Clause 9.2** to the following addresses:

If to the Trustee-Manager and the Company, to:

Address: 44 Kennedy Road
Hong Kong

Facsimile: (852) 2503 5512

Attention: Mr. Ng Wai Cheong, Alex

If to the Investor, to:

Address: 1st Floor Al Noor Plaza, Madinat Al Sultan Qaboos, P.O.Box 329, Postal Code 115.

Facsimile: +(968) 24698744.

Attention: Mr. Hassan Al Nabhani, CEO

If to Goldman Sachs, to:

Address: Goldman Sachs (Asia) L.L.C.
68th Floor Cheung Kong Center
2 Queen's Road Central
Hong Kong

Facsimile: (852) 2978 0440

Attention: Mr. Tony Yip

If to HSBC, to:

Address: Level 15, HSBC Main Building
1 Queen's Road Central
Hong Kong

Facsimile: (852) 2845 5654

Attention: Legal Execution

9.2 Any notice delivered under this Agreement shall be delivered by hand or sent by facsimile or by pre-paid post or courier. Any notice shall be deemed to have been received, if delivered by hand, when delivered and if sent by facsimile, on receipt of confirmation of transmission and if sent by pre-paid post or courier, (in the absence of evidence of earlier receipt) 48 hours after it was posted (or six days if sent by air mail). Any notice received on a day which is not a business day shall be deemed to be received on the next following business day.

10. GENERAL

10.1 Save for manifest error, calculations and determinations made in good faith by the Banks (with the written agreement of the Trustee-Manager and the Company) shall be conclusive with respect to the number of Investor Share Stapled Units and the Offer Price for the purposes of this Agreement.

10.2 The Investor shall cooperate with the Trustee-Manager, the Company and the Banks with respect to any notifications to, or consents and/or approvals of, third parties which are or may be required for the purposes of or in connection with this Agreement.

10.3 No alteration to, or variation of, this Agreement shall be effective unless it is in writing and signed by or on behalf of all the parties.

10.4 The Investor may not assign any of its rights or obligations under this Agreement without the prior written consent of the Trustee-Manager, the Company and the Banks.

10.5 This Agreement will be executed in the English language only.

10.6 Each party shall bear its own legal and professional fees, costs and expenses incurred in connection with this Agreement.

10.7 Time shall be of the essence of this Agreement.

10.8 All provisions of this Agreement shall so far as they are capable of being performed or observed continue in full force and effect notwithstanding completion of the purchase of the Investor Share Stapled Units by the Investor in accordance with **Clause 4**, except in respect of those matters then already performed.

10.9 This Agreement and the Non-disclosure Agreement constitute the entire agreement and understanding between the parties in connection with the investment in Share Stapled Units by the Investor. This Agreement supersedes all prior communications, understandings and agreements relating to the subject matter hereof, whether written or oral.

10.10 If at any time any provision of this Agreement is or becomes illegal, invalid or unenforceable in any respect, that shall not affect or impair the legality, validity or enforceability of any other provision of this Agreement.

10.11 No delay or failure by a party to exercise or enforce (in whole or in part) any right provided by this Agreement or by law shall operate as a release or waiver, or in any way limit that party's ability to further exercise or enforce that, or any other, right. A waiver of any breach of any provision of this Agreement shall not be effective, or implied, unless that waiver is in writing and is signed by the party against whom that waiver is claimed.

11. COUNTERPARTS

This Agreement may be executed in any number of counterparts and by each party on separate counterparts. Each counterpart is an original, but all counterparts shall together constitute one and the same instrument. Delivery of an executed counterpart signature page of this Agreement by e-mail (pdf) or telecopy shall be as effective as delivery of a manually executed counterpart of this Agreement.

12. GOVERNING LAW AND JURISDICTION

12.1 This Agreement and the relationship between the parties shall be governed by, and interpreted in accordance with, the laws of Hong Kong.

12.2 All disputes arising out of or in connection with this Agreement shall be finally settled under the Rules of Arbitration of the International Chamber of Commerce by three arbitrators appointed in accordance with these Rules. The seat of arbitration shall be Hong Kong and the language of the arbitration shall be English.

13. IMMUNITY

13.1 To the extent that the Investor may in any jurisdiction claim for itself or its assets immunity from suit, execution, attachment (whether in aid of execution, before judgment or otherwise) or other legal process or to the extent that in any such jurisdiction there may be attributed to itself or its assets such immunity (whether or not claimed), the Investor

irrevocably agrees not to claim and irrevocably waives such immunity to the full extent permitted by applicable laws.

SCHEDULE 1

PARTICULARS OF INVESTOR

Place of establishment:	Muscat, Sultanate of Oman
Certificate of incorporation number:	N/A
Business registration number:	N/A
Principal activities:	Investments
Ultimate controlling shareholder:	100% Government of the Sultanate of Oman
Interest in electricity business:	No other participation in electric sector companies
Description of the Investor for inclusion in the Prospectus:	Oman Investment Fund is a Sovereign Wealth Fund of the Government of Oman responsible for investment in public equity, private equity and real estate globally.

SCHEDULE 2

PROFESSIONAL INVESTOR TREATMENT NOTICE

1. You are a Professional Investor by reason of your being within a category of person described in (i) paragraphs (a) to (i) of the definition of "professional investor" in section 1 of Part 1 of Schedule 1 to the SFO or (ii) in the Securities and Futures (Professional Investor) Rules as follows:

1.1 a trust corporation having been entrusted with total assets of not less than HK$40 million (or equivalent) as stated in its latest audited financial statements prepared within the last 16 months, or in the latest audited financial statements prepared within the last 16 months of the relevant trust or trusts of which it is trustee, or in custodian statements issued to the trust corporation in respect of the trust(s) within the last 12 months;

1.2 a high net worth individual having, alone or with associates on a joint account, a portfolio of at least HK$8 million (or equivalent) in securities and/or currency deposits, as stated in a certificate from an auditor or professional accountant or in custodian statements issued to the individual within the last 12 months;

1.3 a corporation the sole business of which is to hold investments and which is wholly owned by an individual who, alone or with associates on a joint account, falls within **paragraph 1.2** above; or

1.4 a high net worth corporation or partnership having total assets of at least HK$40 million (or equivalent) or a portfolio of at least HK$8 million (or equivalent) in securities and/or currency deposits, as stated in its latest audited financial statements prepared within the last 16 months or in custodian statements issued to the corporation or partnership within the last 12 months.

We have categorised you as a Professional Investor based on information you have given us. You will inform us promptly in the event any such information ceases to be true and accurate. You will be treated as a Professional Investor in relation to all investment products and markets.

2 As a consequence of categorisation as a Professional Investor, we are not required to fulfil certain requirements under the Code of Conduct for Persons Licensed by or Registered with the Securities and Futures Commission (the ***Code***) and other Hong Kong regulations. While we may in fact do some or all of the following in providing services to you, we have no regulatory responsibility to do so:

2.1 Client agreement

We are not required to enter into a written agreement complying with the Code relating to the services that are to be provided to you.

2.2 Risk disclosures

We are not required by the Code to provide you with written risk warnings in respect of the risks involved in any transactions entered into with you, or to bring those risks to your attention.

2.3 Information about us

We are not required to provide you with information about our business or the identity and status of employees and others acting on our behalf with whom you will have contact.

2.4 Prompt confirmation

We are not required by the Code to promptly confirm the essential features of a transaction after effecting a transaction for you.

2.5 Information about clients

We are not required to establish your financial situation, investment experience or investment objectives, except where we are providing advice on corporate finance work.

2.6 Nasdaq–Amex Pilot Program

If you wish to deal through the Stock Exchange in securities admitted to trading on the Stock Exchange under the Nasdaq-Amex Pilot Program, we are not required to provide you with documentation on that program.

2.7 Suitability

We are not required to ensure that a recommendation or solicitation is suitable for you in the light of your financial situation, investment experience and investment objectives.

2.8 Investor characterisation/disclosure of sales related information

We shall not be subject to the requirements of paragraph 5.1A of the Code relating to know your client investor characterisation and paragraph 8.3A of the Code relating to disclosure of sales related information.

3 If you are treated as a Professional Investor for the purposes of the Code:

3.1 You have the right to withdraw from being treated as a Professional Investor at any time in respect of all or any investment products or markets on giving written notice to our Compliance Department.

3.2 By signing this Agreement, you represent and warrant to us that you are knowledgeable and have sufficient expertise in the products and markets that you are dealing in and are aware of the risks in trading in the products and markets that you are dealing in.

3.3 By signing this Agreement, you hereby agree and acknowledge that you have read and understood and have had explained to you the consequences of consenting to being treated as a Professional Investor and the right to withdraw from being treated as such as set out herein and that you hereby consent to being treated as a Professional Investor.

4 By signing this Agreement, you hereby agree and acknowledge that we will not provide you with any contract notes, statements of account or receipts under the Hong Kong

Securities and Futures (Contract Notes, Statements of Account and Receipts) Rules where such would otherwise be required.

IN WITNESS WHEREOF the parties have executed this Agreement on the day and year first above written.

Signed by WAN CHI TIN and CHAN LOI SHUN) CTK
for and on behalf of)
HK ELECTRIC INVESTMENTS)
MANAGER LIMITED) PCK

Signed by WAN CHI TIN and CHAN LOI SHUN) CTK
for and on behalf of)
HK ELECTRIC)
INVESTMENTS LIMITED) PCK

Signed by)
for and on behalf of)
OMAN INVESTMENT FUND) **C.P. Sethuraman**

Signed by)
for and on behalf of)
OMAN INVESTMENT FUND) **Anwar Al Jabri**

Signed by Jonathan Perkin)
for and on behalf of)
GOLDMAN SACHS (ASIA) L.L.C.)

Signed by Stephen J. Clark)
for and on behalf of)
THE HONGKONG AND SHANGHAI)
BANKING CORPORATION LIMITED)